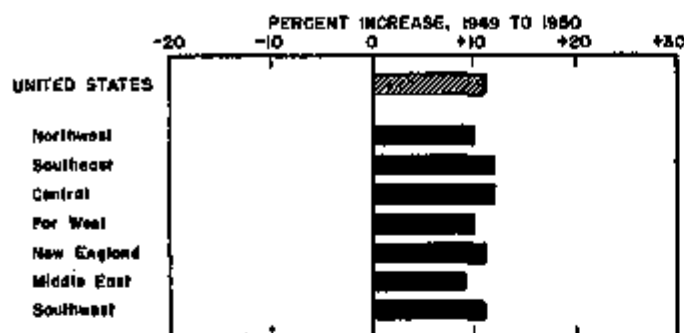
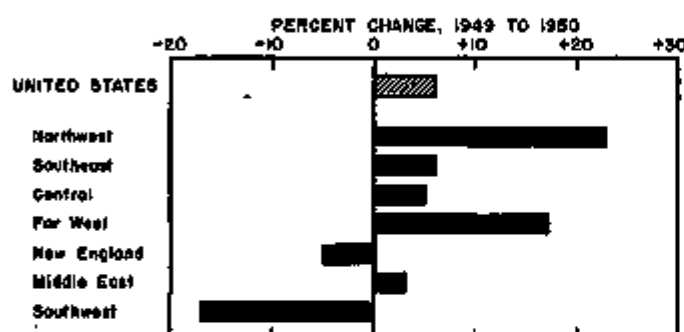


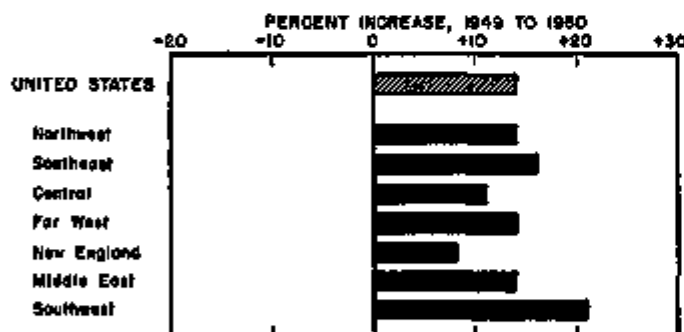
Regional increases in PRIVATE NONAGRICULTURAL INCOME from 1949 to 1950 were quite uniform.



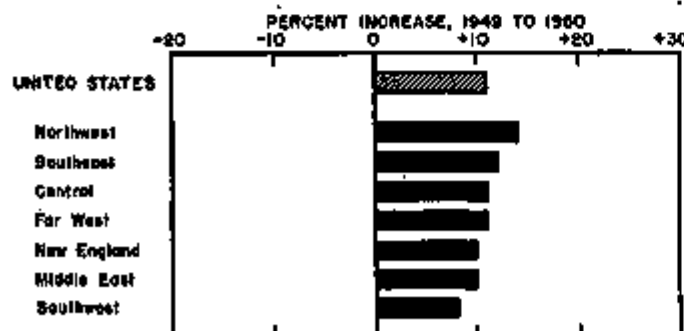
However, wide variations in regional movements in AGRICULTURAL INCOME . . . .



and in GOVERNMENT INCOME PAYMENTS . . . .



together with the differing regional importance of these two sources, resulted in less uniform increases in TOTAL INCOME than in private nonagricultural income.



## State Income Payments in 1950

Income payments to individuals<sup>1</sup> in 1950 were higher than in 1949 in every State of the Nation. Against the setting of a generally expansionary economic situation, total income moved up at similar rates throughout most sections of the country.

In all but five States total income in 1950 was at record levels, and in those five it was only slightly below the highs attained in 1947 or 1948.

Nationally, total income increased from \$196 billion in 1949 to \$217 billion in 1950—a rise of 11 percent. On a regional basis, the largest relative gains were scored by the agricultural Northwest and the Southeast, where income rose 14 and 12 percent, respectively. Total income growth in the Central and Far West regions matched that of the country as a whole, while the 10 percent rise in New England and the Middle East was only a little less. The smallest income advance—8 percent—occurred in the Southwest, which had outpaced all other regions in 1949.

Among the individual States, the largest increases were in Montana (23 percent), Nebraska (18 percent), and South Dakota (18 percent). In each of these States a large upsurge in farm income provided the prime impetus to the expansion of total income. Following the top-ranking advances in these three heavily agricultural States were increases of 16 percent in North Dakota and North Carolina and 15 percent in Delaware, Florida, and Mississippi. Five of these eight States (all except Delaware, Florida, and North Carolina, where agriculture is much less important) are among the seven States which sustained the largest declines in both total income and agricultural income in 1949.

Because of the tendency for the 1949-50 income changes in most States to fall within a comparatively narrow range, regional shifts in the geographic distribution of income last year were not generally of appreciable magnitude. However, considerable regional pattern in the shifts is evidenced. As shown in table 1, in 16 of the 20 States of the Northwest and Southeast—the two regions where the relative income rise was largest—the rate of increase in total income equalled or exceeded that of the country as a whole. Furthermore, the eight States with the largest gains in 1950 are all, with the exception of Delaware, located in these two regions. Conversely, in the Southwest, New England, and Middle East, where percentage increases in total income were less than average, only four States experienced gains exceeding that for the country as a whole. In the Far West and Central regions, where income expansion kept pace with that of the Nation, nearly all States registered increases similar to the national average.

<sup>1</sup> "Income payments to individuals" is a measure of the income received from all sources during the calendar year by the residents of each State. It comprises income received by individuals in the form of wages and salaries, net income of proprietors (including farmers), dividends, interest, net rents, and other items such as social insurance benefits, relief, veterans' pensions and benefits, and abatement payments to dependents of military personnel. For a more detailed definition of income payments and a brief description of sources and methods used in preparing the estimates, see the "Technical Notes" section of the article in the August 1950 issue of the SURVEY OF CURRENT BUSINESS.

NOTE.—MR. GRAHAM IS A MEMBER OF THE NATIONAL INCOME DIVISION, OFFICE OF BUSINESS ECONOMICS.

For the country as a whole, per capita income payments (total income divided by total population) were \$1,436 in 1950. This was 9 percent above the 1949 average of \$1,320 and higher than in any other year. For all regions except the Southwest, increases in per capita income approximated that for the Nation. In the Southwest the relative lag in total income, together with a further increase in population, resulted in a per capita income gain of only 6 percent in 1950.

Average incomes in 1950 ranged from \$698 in Mississippi to more than \$1,900 in Delaware and the District of Columbia. Others in the top rank included Delaware (\$1,909), Nevada (\$1,875), New York (\$1,864), Connecticut (\$1,776), Illinois (\$1,752) and California (\$1,751).

This article continues the series of reports on State income payments which have been published annually in the SURVEY OF CURRENT BUSINESS. It presents estimates for each State and the District of Columbia of total and per capita income payments for 1950. Also included are revised estimates of total income payments for 1948 and 1949 and of per capita income payments for 1940-49. The estimates of both total income and per capita income are shown for all years of the 1929-50 period, in tables 7 and 8 respectively.

The revisions of total income represent adjustments to revised national totals of certain components and incorporate better and more complete State data that became available in the past year. The revisions of per capita income stem, additionally, from the use of revised State population estimates. Intercensal population estimates of the Bureau of the Census, which are adjusted to the population counts of the 1940 and 1950 Censuses of Population, were used in computing per capita income in lieu of the unofficial estimates provided by the Bureau for use in last year's report.

### Income Changes from 1949 to 1950

The year 1950 opened on a strong note of recovery from the business downturn of 1949. The upward movement of economic activity characterizing the first 6 months of the year was sharply accelerated by developments following the outbreak of hostilities in Korea. Under the impact of new demand-pressures from business, consumers, and government, production forged ahead and prices rose sharply.

Income advanced in all major sectors of the economy from 1949 to 1950. However, there were wide differences among States in relative changes in income from agriculture, government, manufacturing, and the trade and service industries.

Table 1.—Percent Distribution of, and Relative Changes in, Total Income Payments, by States and Regions, Selected Years, 1929-50<sup>1</sup>

State and region	Percent distribution										Percent change					
	1929	1940	1944	1944	1946	1947	1949	1949	1950	1950	1929 to 1950	1940 to 1950	1944 to 1950	1946 to 1950	1947 to 1950	1949 to 1950
Continental United States.....	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	+262	+136	+42	+27	-3	+11
New England.....	2.22	3.97	4.79	5.30	6.32	6.82	8.48	8.74	9.08	9.08	+114	+137	+36	+27	-2	+10
Connecticut.....	1.77	1.87	1.70	1.68	1.64	1.69	1.63	1.63	1.64	1.64	+144	+181	+36	+27	-3	+11
Maine.....	.94	.87	.87	.85	.84	.83	.83	.83	.83	.83	+141	+181	+36	+27	-3	+10
Massachusetts.....	4.58	4.30	3.33	3.57	3.02	3.48	3.43	3.61	3.46	3.46	+127	+127	+36	+27	-1	+9
New Hampshire.....	.37	.34	.28	.30	.32	.32	.31	.31	.31	.31	+123	+120	+36	+27	-3	+9
Rhode Island.....	.70	.67	.63	.61	.58	.57	.57	.57	.56	.56	+112	+141	+36	+27	-3	+11
Vermont.....	.26	.26	.20	.21	.22	.22	.21	.21	.21	.21	+108	+141	+36	+27	-3	+11
Middle East.....	31.70	32.04	27.63	27.38	28.31	27.99	27.81	27.83	27.74	27.74	+116	+148	+42	+28	-2	+10
Delaware.....	.28	.31	.20	.20	.25	.24	.25	.27	.28	.28	+178	+158	+61	+41	+4	+15
District of Columbia.....	.77	1.10	.89	1.03	1.01	.94	.90	.96	.96	.96	+222	+127	+36	+27	-1	+9
Maryland.....	1.34	1.04	1.66	1.61	1.59	1.51	1.52	1.50	1.56	1.56	+236	+177	+32	+21	0	+11
New Jersey.....	5.88	4.14	3.81	3.69	3.02	2.53	3.48	3.67	3.66	3.66	+137	+147	+33	+25	-1	+11
New York.....	17.43	18.00	12.73	13.13	13.61	13.21	13.13	13.20	13.08	13.08	+45	+120	+46	+23	-2	+9
Pennsylvania.....	8.88	8.21	7.31	7.30	7.37	7.39	7.29	7.29	7.30	7.30	+118	+158	+43	+29	-3	+12
West Virginia.....	.96	1.00	.94	.95	.96	1.02	1.04	.98	.97	.97	+140	+178	+33	+29	-3	+9
Southeast.....	16.61	11.94	14.29	14.45	13.86	13.75	13.76	13.78	13.98	13.98	+249	+233	+38	+27	-3	+12
Alabama.....	.97	1.01	1.29	1.31	1.22	1.21	1.23	1.18	1.18	1.18	+219	+238	+39	+22	-7	+11
Arkansas.....	.08	.65	.76	.79	.78	.74	.78	.73	.73	.73	+181	+220	+30	+17	-10	+11
Florida.....	.84	1.10	1.80	1.60	1.40	1.43	1.59	1.49	1.55	1.55	+394	+278	+30	+22	+4	+15
Georgia.....	1.10	1.30	1.58	1.58	1.82	1.82	1.48	1.49	1.51	1.51	+251	+240	+38	+28	-2	+14
Kentucky.....	1.17	1.16	1.20	1.25	1.25	1.21	1.27	1.20	1.21	1.21	+178	+206	+40	+38	-4	+9
Louisiana.....	1.04	1.12	1.33	1.28	1.10	1.20	1.25	1.35	1.29	1.29	+220	+232	+37	+28	-4	+10
Mississippi.....	.60	.66	.80	.78	.70	.74	.76	.67	.70	.70	+180	+243	+25	+27	-14	+15
North Carolina.....	1.17	1.49	1.05	1.60	1.70	1.74	1.71	1.71	1.79	1.79	+302	+243	+33	+29	-3	+10
South Carolina.....	.63	1.22	.84	.84	.83	.81	.83	.81	.81	.81	+302	+223	+30	+24	-6	+11
Tennessee.....	1.10	1.22	1.62	1.69	1.49	1.43	1.45	1.45	1.46	1.46	+234	+242	+30	+25	-3	+12
Virginia.....	1.10	1.49	1.73	1.70	1.60	1.61	1.61	1.64	1.66	1.66	+263	+210	+36	+27	-1	+12
Southwest.....	5.03	6.16	5.20	6.49	5.33	6.22	6.16	6.90	6.43	6.43	+238	+237	+47	+38	+4	+4
Arizona.....	.30	.31	.39	.38	.35	.39	.41	.42	.42	.42	+282	+286	+48	+46	+1	+13
New Mexico.....	1.19	1.20	.25	.29	.30	.30	.30	.34	.35	.35	+378	+303	+80	+64	+6	+14
Oklahoma.....	1.31	1.60	1.21	1.17	1.13	1.15	1.14	1.17	1.10	1.10	+121	+188	+20	+24	-1	+4
Texas.....	3.23	3.60	4.33	4.24	4.13	4.38	4.31	4.97	4.66	4.66	+270	+273	+40	+40	+6	+6
Central.....	25.32	28.56	27.65	27.55	28.68	28.35	28.23	28.48	28.55	28.55	+168	+186	+47	+29	-5	+11
Illinois.....	8.83	1.57	6.72	6.90	7.11	7.18	7.41	7.13	7.06	7.06	+118	+167	+49	+28	-6	+9
Indiana.....	2.27	2.45	2.68	2.83	2.53	2.85	2.67	2.69	2.81	2.81	+203	+200	+45	+33	-4	+12
Iowa.....	1.03	1.63	1.81	1.65	1.74	1.85	1.89	1.70	1.73	1.73	+207	+233	+45	+35	-12	+12
Michigan.....	4.29	4.51	4.73	4.78	4.38	4.61	4.63	4.95	4.96	4.96	+188	+186	+40	+35	-2	+12
Minnesota.....	1.76	1.85	1.00	1.73	1.94	1.83	1.92	1.95	1.94	1.94	+177	+181	+43	+27	-6	+10
Missouri.....	2.67	2.62	2.30	2.44	2.30	2.45	2.67	2.35	2.56	2.56	+162	+180	+33	+27	-3	+11
Ohio.....	5.95	5.86	6.85	7.00	6.09	6.80	6.50	6.70	6.89	6.89	+158	+153	+40	+30	-4	+11
Wisconsin.....	2.24	2.14	2.17	2.23	2.24	2.29	2.29	2.27	2.27	2.27	+167	+236	+46	+29	-4	+11
Northwest.....	4.75	4.44	4.98	4.89	4.95	5.30	5.23	4.93	5.11	5.11	+183	+238	+46	+31	-7	+14
Colorado.....	.77	.78	.75	.81	.81	.85	.80	.80	.80	.80	+191	+210	+41	+35	-3	+11
Idaho.....	.28	.31	.35	.34	.30	.35	.36	.30	.35	.35	+232	+230	+42	+25	-3	+9
Kansas.....	1.20	1.30	1.23	1.17	1.29	1.29	1.15	1.16	1.18	1.18	+187	+236	+28	+26	-4	+12
Montana.....	.30	.42	.30	.37	.35	.43	.44	.44	.44	.44	+195	+190	+42	+31	-11	+23
Nebraska.....	.82	.75	.88	.87	.88	.87	.83	.83	.80	.80	+167	+216	+45	+33	-10	+18
North Dakota.....	.32	.31	.37	.37	.36	.41	.42	.38	.37	.37	+207	+212	+45	+31	-10	+18
South Dakota.....	.35	.32	.37	.37	.40	.42	.42	.37	.40	.40	+200	+237	+41	+28	-22	+13
Utah.....	.33	.35	.42	.42	.41	.41	.40	.41	.41	.41	+225	+233	+47	+27	0	+9
Wyoming.....	.19	.20	.18	.18	.18	.20	.20	.21	.20	.20	+185	+201	+41	+28	0	+8
Far West.....	8.47	9.79	12.36	12.00	11.06	11.65	11.34	11.68	11.54	11.54	+258	+287	+33	+23	-3	+11
California.....	6.31	7.39	8.64	8.43	8.85	9.06	8.39	8.63	8.63	8.63	+252	+311	+33	+23	-1	+11
Nevada.....	.08	.12	.14	.14	.14	.14	.13	.14	.14	.14	+365	+326	+41	+30	-1	+13
Oregon.....	.73	.83	1.09	1.00	1.04	1.03	1.07	1.06	1.07	1.07	+282	+307	+30	+21	-4	+12
Washington.....	1.25	1.45	2.11	1.97	1.84	1.76	1.76	1.78	1.80	1.80	+244	+250	+21	+26	-2	+12

<sup>1</sup> Computed from data shown in table 7.

Source: U. S. Department of Commerce, Office of Business Economics.

The varying rates of change in these major income sources in relation to their differing importance in the economies of the various States (see table 6), tended to form patterns of generally offsetting change. On balance, then, aggregate income increased at broadly similar rates in most parts of the country.

In conformity with past experience, agricultural income proved the most volatile of the major income flows. The national rise of 8 percent in this component was the composite of changes on a State basis ranging from declines as large as one-fourth to increases up to two-thirds. Disparities in changes in government income payments stemmed largely from sharp increases in military payrolls, the disproportionate concentration of military installation in the two Southern regions, and the payment by some State governments of bonuses to veterans in either 1949 or 1950. Differential changes in factory payrolls reflected largely variations among the States and regions in the proportion of durable goods manufactures to total manufactures. As usual, geographic differences in changes in trade and service income were smaller than the changes in the primary flows. However, these differences were more disparate in 1950 than in the prior postwar period.

### Farm income

Nationally, the 6 percent rise in farm income from 1949 to 1950 was the smallest of any major income component, both in dollar volume and percentage. This rise reflected mainly the composite effects of the increase in farm prices which began in early 1950 and accelerated following the outbreak of hostilities in Korea; a small decrease in the aggregate volume of crop production (but, the 1950 crop was the third largest on record); a slight increase in total meat production; and a moderate rise in farm production expenses.

Although, on a Nation-wide basis, moderateness was the keynote in the change in most factors influencing farm income in 1950, this by no means held true among the individual States.

Nationally, a drop of nearly 40 percent in cotton production, together with an increase of about two-fifths in average price, resulted in a relatively small decrease in the value of cotton production in 1950. By States, however, there were declines of one-fourth to more than one-third in North Carolina, Texas, and Oklahoma, and gains ranging from one-tenth to more than two-fifths in Georgia, Mississippi, Arizona, and California.

Similarly, for the country as a whole, the values of corn and wheat production in 1950 were not too different from 1949. In Texas, however, wheat production dropped 75 percent, while in Montana it increased one-half and in Nebraska almost two-thirds. Changes in the value of corn production from 1949 to 1950 varied between small, but significant, declines of 3 and 4 percent, respectively, in Illinois and Iowa to gains of nearly one-fourth in Nebraska and Missouri.

Changes in agricultural income in 1950 were most pronounced in the States of the Northwest and Southwest—the most agricultural of the regions. In the Northwest, farm income increased one-fourth from 1949 to 1950 and total income went up 14 percent. In the Southwest, income from agriculture dropped one-sixth and total income rose only 8 percent.

The wide fluctuations in farm income in these two areas—with their consequent impact upon changes in aggregate income—reflect, in the main, sharp declines in the value of both cotton and wheat production in Texas and Oklahoma; the nearly complete destruction of the wheat crop in New Mexico; an increase of more than two-fifths in the value of

Table 2.—Percent Changes, 1949 to 1950, in Total Income Payments and Selected Components, by States and Regions

State and region	Total income payments	Agricultural income	Non-agricultural income	Government income payments	Private non-agricultural income	Trade and service income	Manufacturing payrolls
<b>Continental United States</b>	+11	+6	+11	+14	+11	+9	+13
<b>New England</b>	+10	-6	+10	+8	+11	+8	+13
Connecticut	+11	-12	+12	+8	+13	+9	+17
Maine	+6	-11	+8	+7	+8	+7	+9
Massachusetts	+9	-3	+10	+9	+10	+7	+11
New Hampshire	+0	0	+10	+8	+10	+10	+13
Rhode Island	+11	-10	+11	+8	+13	+10	+10
Vermont	+11	+14	+10	+9	+11	+10	+13
<b>Middle East</b>	+10	+3	+10	+14	+8	+8	+9
Delaware	+15	+17	+14	+17	+14	+11	+16
District of Columbia	+0	—	+9	+11	+7	+6	+4
Maryland	+11	-3	+11	+13	+11	+11	+9
New Jersey	+11	+7	+11	+11	+11	+11	+11
New York	+9	+13	+9	+11	+9	+7	+8
Pennsylvania	+12	-4	+13	+20	+10	+9	+10
West Virginia	+9	-1	+10	+10	+8	+7	+8
<b>Southwest</b>	+13	+6	+13	+16	+12	+12	+15
Alabama	+11	+8	+12	+16	+12	+13	+14
Arkansas	+11	+8	+11	+13	+11	+10	+17
Florida	+16	+26	+14	+19	+13	+12	+12
Georgia	+14	+14	+14	+19	+13	+11	+13
Kentucky	+0	-10	+14	+19	+13	+11	+16
Louisiana	+0	-7	+8	+8	+8	+11	+10
Mississippi	+16	+18	+14	+19	+13	+13	+23
North Carolina	+10	+13	+10	+20	+16	+14	+17
South Carolina	+11	+1	+13	+13	+13	+13	+14
Tennessee	+12	-6	+14	+17	+13	+11	+14
Virginia	+12	+0	+13	+17	+10	+10	+12
<b>Southwest</b>	+6	-17	+13	+21	+11	+13	+13
Arizona	+13	+13	+13	+18	+13	+13	+11
New Mexico	+14	-13	+10	+35	+17	+16	+12
Oklahoma	+4	-28	+11	+14	+9	+13	+9
Texas	+8	-17	+13	+23	+11	+11	+13
<b>Central</b>	+11	+5	+12	+11	+13	+18	+15
Illinois	+0	+7	+9	+11	+8	+8	+12
Indiana	+12	+1	+13	+12	+14	+13	+18
Iowa	+12	+29	+9	+4	+10	+10	+10
Michigan	+13	-8	+14	+0	+16	+13	+18
Minnesota	+10	-5	+13	+20	+12	+11	+12
Missouri	+11	+14	+10	+14	+10	+9	+11
Ohio	+11	-3	+13	+11	+13	+10	+16
Wisconsin	+11	-1	+13	+12	+13	+12	+13
<b>Northwest</b>	+14	+23	+11	+14	+10	+18	+12
Colorado	+11	-12	+14	+18	+13	+13	+15
Idaho	+9	+4	+11	+15	+11	+9	+16
Kansas	+19	+17	+11	+13	+11	+11	+14
Montana	+23	+44	+11	+16	+20	+10	+9
Nebraska	+18	+37	+11	+16	+8	+11	+10
North Dakota	+16	+31	+8	+6	+0	+10	0
South Dakota	+19	+34	+10	+12	+0	+9	+2
Utah	+9	-2	+10	+13	+10	+13	+7
Wyoming	+8	+18	+7	+20	+3	+7	+3
<b>Far West</b>	+11	+17	+11	+14	+10	+7	+11
California	+11	+16	+11	+12	+10	+7	+13
Nevada	+13	+6	+13	+30	+11	+13	+10
Oregon	+12	+20	+13	+23	+11	+9	+10
Washington	+12	+28	+11	+23	+8	+8	+9

\* Consists of net income of farm proprietors (including value of change in inventories of crops and livestock), farm wages, and net rents to landlords living on farms.

\* Consists of pay of State and local and of Federal civilian employees, net pay of the armed forces, family allowance payments to dependents of enlisted military personnel, voluntary allotments of military pay to individuals, mustering-out payments to discharged servicemen, veterans' benefit payments (consisting of pensions and disability compensation, readjustment allowances, self-employment allowances, cash subsistence allowances, State government bonuses to veterans of World War II, cash terminal-leave payments and redemptions of terminal-leave bonds, adjusted compensation benefits, military retirement payments, national service life insurance dividend disbursements, and interest payments by Government on veterans' loans), interest payments to individuals, public assistance and other direct relief, and benefit payments from social insurance funds.

\* Consists of total income payments minus agricultural income and Government income payments.

\* Consists of wages and salaries and proprietors' income.

Sources: U. S. Department of Commerce, Office of Business Economics.

cotton production in Arizona; and large increases in the value of production of wheat, corn, and other grains in Montana, Nebraska, North Dakota, and South Dakota.

Though less pronounced than in the States of the Northwest and Southwest, fluctuations in farm income made major contributions toward swelling aggregate income in Florida, Mississippi, Delaware, Iowa, and the three Pacific Coast States. Declines in agricultural income were partly responsible for the below-average increases in total income in Kentucky, Louisiana, and Minnesota.

Table 3.—Percent Increases, 1949 to 1950, in Total Income Payments and Selected Components, by States and Regions

State and region	Total income payments	Agricultural income	Non-agricultural income	Government income payments	Private non-agricultural income	Trade and service income	Manufacturing payrolls
<b>Continental United States</b>	185	195	185	219	175	196	209
<b>New England</b>	137	128	137	164	131	152	171
Connecticut	131	116	132	157	127	174	163
Maine	161	149	152	160	149	157	180
Massachusetts	127	108	128	154	123	141	173
New Hampshire	150	215	148	163	146	168	191
Rhode Island	141	54	141	173	130	158	169
Vermont	141	141	141	163	137	151	180
<b>Middle East</b>	148	126	148	173	144	165	189
Delaware	155	133	150	209	158	154	224
District of Columbia	127	127	127	145	114	165	144
Maryland	177	157	170	203	169	216	171
New Jersey	147	135	146	174	143	179	169
New York	136	115	146	155	128	163	198
Pennsylvania	158	138	170	166	152	174	183
West Virginia	178	104	182	215	176	203	188
<b>Southeast</b>	235	176	245	319	228	235	297
Alabama	235	165	248	330	229	238	270
Arkansas	229	162	245	265	241	235	302
Florida	275	201	288	374	246	257	282
Georgia	240	140	257	324	242	238	304
Kentucky	204	155	210	272	207	234	230
Louisiana	252	181	258	324	215	230	280
Mississippi	243	200	268	316	237	270	284
North Carolina	243	210	250	339	232	245	281
South Carolina	225	112	248	294	252	239	315
Tennessee	242	184	280	325	244	247	270
Virginia	219	184	233	344	192	289	220
<b>Southwest</b>	257	194	289	334	264	272	344
Arizona	205	303	278	273	280	282	279
New Mexico	308	143	344	340	247	313	687
Oklahoma	188	74	212	238	205	216	240
Texas	272	228	300	383	200	234	304
<b>Central</b>	185	192	186	184	186	191	226
Illinois	197	209	185	168	185	188	217
Indiana	209	247	205	105	207	236	244
Iowa	208	221	190	210	193	208	206
Michigan	186	115	180	160	200	203	218
Minnesota	181	147	188	172	191	189	274
Missouri	180	258	183	208	179	186	237
Ohio	183	162	184	194	182	191	215
Wisconsin	204	160	220	181	222	220	247
<b>Northwest</b>	228	254	217	261	222	238	287
Colorado	216	218	218	213	210	224	271
Idaho	220	240	224	180	227	230	283
Kansas	236	248	235	212	241	250	312
Montana	198	286	171	143	180	216	188
Nebraska	245	403	180	180	204	231	280
North Dakota	242	249	241	209	247	270	176
South Dakota	257	394	222	185	235	257	258
Utah	233	172	240	279	230	233	277
Wyoming	191	143	206	196	208	247	240
<b>Far West</b>	237	245	237	294	225	233	293
California	241	229	250	288	218	224	301
Nevada	226	311	218	237	213	309	471
Oregon	267	225	271	271	271	297	230
Washington	265	278	294	338	309	280	237

1 For definition see footnote to table 2.

Source: U. S. Department of Commerce, Office of Business Economics.

### Government income payments

There was a 14 percent rise from 1949 to 1950 in government income payments—the total of wages and salaries, interest, social insurance benefits, and other types of income disbursements to individuals by Federal, State, and local agencies. This rise stemmed almost entirely from the \$2.7 billion disbursement of Government life insurance dividends and from an increase of about one-third in the cash pay of military personnel stationed within the continental limits. The rise in government income payments other than insurance dividends and military pay was slight, and much smaller than the 1949-50 increase in private income.

The 1950 dividend disbursement was of considerable importance in swelling total incomes throughout the Nation. Because of its relatively uniform distribution, however, it had little effect on differences among States in the 1949-50 relative increases in government income payments.

On the other hand, the increase in military payrolls had a very differential impact on the government income pay-

ments distribution in 1950. Nearly one-half of all military payrolls were paid out at installations in the Southeast and Southwest in 1949. As a result of the heavy concentration of military payrolls in the two Southern regions, together with relatively large increases in them, these two areas scored above-average gains in income flowing from government.

Although in total a comparatively minor item, disbursements of State bonuses to veterans of World War II in either 1949 or 1950 were an important factor in some States in accelerating or dampening the flow of government income payments. State bonuses were mainly responsible for the substantial gains in government income payments in Pennsylvania, Minnesota, and Washington, and for the relative lags in Iowa, Louisiana, North Dakota, and Ohio. In most of these States, the unusually large or small relative increases in Government income payments had a noticeable effect upon the change in aggregate income.

In the Southeast, Southwest, and Middle East, government income payments buoyed the flow of total income. The gain of 16 percent in the Southeast, though only slightly larger than in the rest of the Nation, contributed materially to relative income growth in the region primarily because government as a source of income is of more importance here than in any other area—one-fourth again as important as in the country as a whole. The 21-percent rise in government income payments in the Southwest was the largest in the Nation. It was primarily responsible for the region's top-ranking 1949-50 rise in nonagricultural income and did much to ameliorate the effect of the large drop in agricultural income upon the region's total income stream.

The smallest increase in government income payments from 1949 to 1950 occurred in the New England region. Here the rise of only 8 percent—traceable to below-average increases in all major types of governmental payments, both Federal and State and local—was a dampening influence in the region's total-income expansion.

In the Central States, the only other region with a decreased share of Government income payments in 1950, the less-than-average importance of this income component in the region's economy tended to minimize the impact of the relative decline, and total income and private income moved up at equal rates.

### Private nonagricultural income

As shown in the first chart (see also table 2), there was marked geographic uniformity in the 1949-50 increases in private nonfarm income. In all 7 regions and in 38 of the States, the increase in private nonagricultural income was within 2 percentage points of the Nation-wide gain of 11 percent. The uniformity of changes in total income, while considerable, was significantly less than that in private non-farm income because of the unevenness of the movements in farm income and government income payments.

The most important influence underlying such variations as did occur in the State and regional increases in private nonagricultural income was the differential impact of changes in factory payrolls.

The expansion of manufacturing wages and salaries last year—13 percent on a national basis—reflects chiefly the recovery of the manufacturing industry by early 1950 from the business downturn of 1949; the further upward movement of production in response to stepped-up business and consumer demands (mostly for durables) in the months immediately following the invasion of South Korea; and, to a limited extent, the initial impact of the national defense program.

Following are the high lights of changes in factory payrolls in the regions where income growth was most affected.

1. Increases in factory payrolls of 17 percent in Connecticut.

cut and 16 percent in Rhode Island were mainly responsible for bolstering the flow of private nonfarm income in New England—the area hardest hit by the drop in manufacturing activity in 1949. The large rise in Connecticut came from expansion of the State's highly important metal-working and machinery-producing industries. In Rhode Island, the sharp upturn in total factory payrolls centered in the textile industry, which accounts for almost half of all manufacturing wages and salaries in the State.

2. In the Central States, manufacturing payrolls increased 15 percent from 1949 to 1950 and were chiefly responsible for the region's top-ranking advance in private nonagricultural income. While in this region payrolls in all major types of manufactures moved up in 1950 at rates equalling or bettering those for the Nation, the main factor underlying manufacturing expansion in this area was the preponderance of durable goods industries.

In the Central States, payrolls of industries producing mainly durable goods form two-thirds of all factory payrolls—a larger proportion than in any other region. As the most striking increases in manufacturing throughout the Nation occurred in the durable goods industries, the Central States were in a favorable position to participate in the expansion of factory payrolls.

3. In the Middle East, the 9-percent rise in factory payrolls—the smallest regional gain in the country—was a major factor in the flow of private nonfarm income. Although factory payrolls increased at less-than-average rates from 1949 to 1950 in all States of the Middle East except Delaware, the regional lag is attributable mainly to the comparative smallness of New York's 8-percent increase. This increase reflected, in part, the preponderance of nondurables in the State's manufacturing structure. However, in 4 major industries accounting for almost one-half of all factory payrolls in the State the 1949-50 increases fell below the country-wide average by a substantial margin.

Table 4.—Regional Changes in Total Income and in Private Nonagricultural Income, Selected Years

Region	1945 to 1950		1948 to 1950		1948 to 1949		1949 to 1950	
	Total income	Private nonagricultural income	Total income	Private nonagricultural income	Total income	Private nonagricultural income	Total income	Private nonagricultural income
United States.....	+27	+31	+8	+8	-3	-3	+14	+11
New England.....	+23	+25	+8	+8	-2	-4	+10	+11
Middle East.....	+25	+27	+8	+8	-2	-3	+10	+9
Southeast.....	+27	+32	+9	+10	-2	-2	+12	+12
Southwest.....	+38	+42	+12	+11	-4	0	+8	+11
Central.....	+29	+34	+5	+8	-5	-5	+11	+12
Northwest.....	+31	+41	+5	+12	-7	+1	+14	+10
Far West.....	+25	+28	+10	+7	-2	-3	+11	+10

Sources: U. S. Department of Commerce, Office of Business Economics.

In Delaware, for the second successive year, a sharp increase in the State's important chemicals industry pushed factory payrolls up at above-average rates.

Though manufacturing activity was the major factor influencing changes in the flow of private nonagricultural income last year, relative changes in trade and service income in three regions are deserving of mention.

In the two Southern regions, all 15 States shared in these areas' considerably more-than-average increase in trade and service income. Particularly outstanding were the increases of 16 percent in New Mexico and 14 percent in North Carolina—the two largest in the Nation.

In the Far West, the sizable lag in trade and service income was the principal dampening factor in the growth of private nonfarm income. The relatively small increase in the trade

and service sector reflects, in part, the stability of income from motion-picture production in California.

## Comparative Movements of Total and Private Nonfarm Incomes

Private nonagricultural income is a measure which is of particular significance for evaluating short-run changes in regional economic activity. It eliminates from total income the direct effects of temporary, random elements reflected in the agricultural and governmental income flows—such as the vagaries of weather, crop damage from pests and insects, sharp variations in farm prices, disbursement of veterans' bonuses, and relocation of military personnel. These and other elements of this sort often obscure income changes in the large private nonfarm sector and render total income an inappropriate measure of the more basic short-term developments in the State and regional economies.

Table 5.—Differentials and Relative Changes in Per Capita Income Payments, by States and Regions, Selected Years, 1929-50<sup>1</sup>

State and region	Percent of national per capita income								Percent change		
	1929	1949	1944	1944	1949	1948	1948	1950	1949 to 1950	1944 to 1950	1929 to 1950
<b>Continental United States.....</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>+158</b>	<b>+34</b>	<b>+9</b>
New England.....	123	120	112	119	111	106	107	108	+115	+30	+14
Connecticut.....	135	144	130	125	122	120	121	123	+114	+17	+11
Maine.....	83	87	90	88	88	86	84	81	+127	+12	+5
Massachusetts.....	132	133	112	112	114	100	100	111	+109	+23	+11
New Hampshire.....	90	98	91	94	94	92	92	99	+128	+22	+0
Rhode Island.....	128	126	114	111	110	106	106	106	+115	+18	+12
Vermont.....	88	91	83	87	90	87	84	83	+127	+23	+7
<b>Middle East.....</b>	<b>136</b>	<b>131</b>	<b>118</b>	<b>129</b>	<b>119</b>	<b>116</b>	<b>117</b>	<b>117</b>	<b>+134</b>	<b>+33</b>	<b>+9</b>
Delaware.....	135	155	123	117	110	110	120	133	+114	+34	+25
Dist. of Col.....	178	180	114	118	117	116	131	138	+83	+50	+16
Maryland.....	103	123	111	107	103	103	106	106	+110	+20	+10
New Jersey.....	139	140	124	124	122	117	118	118	+110	+17	+2
New York.....	105	100	132	138	137	131	131	130	+110	+11	+7
Pennsylvania.....	113	109	105	105	105	104	104	105	+143	+20	+11
West Virginia.....	68	69	73	74	74	70	73	73	+104	+30	+5
<b>Southwest.....</b>	<b>81</b>	<b>78</b>	<b>86</b>	<b>87</b>	<b>86</b>	<b>87</b>	<b>87</b>	<b>87</b>	<b>+196</b>	<b>+25</b>	<b>+8</b>
Alabama.....	45	47	61	61	63	60	68	58	+211	+10	+9
Arkansas.....	46	44	66	60	63	63	56	57	+235	+25	+0
Florida.....	71	81	87	88	85	78	83	84	+189	+10	+11
Georgia.....	48	65	60	67	65	60	60	67	+207	+27	+11
Kentucky.....	55	54	61	64	64	60	66	63	+108	+20	+0
Louisiana.....	61	62	71	70	68	70	75	73	+193	+25	+4
Mississippi.....	46	65	50	60	48	54	48	48	+242	+20	+10
North Carolina.....	45	65	61	64	67	65	64	65	+201	+33	+12
South Carolina.....	37	60	58	59	61	62	60	58	+190	+23	+5
Tennessee.....	51	65	78	73	68	65	67	67	+204	+10	+11
Virginia.....	62	78	80	79	76	77	70	81	+100	+25	+11
<b>Southwest.....</b>	<b>81</b>	<b>78</b>	<b>86</b>	<b>87</b>	<b>86</b>	<b>87</b>	<b>87</b>	<b>87</b>	<b>+196</b>	<b>+25</b>	<b>+8</b>
Arizona.....	54	81	83	85	81	85	88	85	+105	+20	+9
New Mexico.....	60	83	69	72	72	70	81	77	+212	+29	+4
Oklahoma.....	67	82	81	75	74	70	82	75	+106	+13	+1
Texas.....	68	72	84	82	80	83	90	80	+209	+31	+7
<b>Central.....</b>	<b>100</b>	<b>105</b>	<b>105</b>	<b>105</b>	<b>106</b>	<b>110</b>	<b>107</b>	<b>108</b>	<b>+185</b>	<b>+27</b>	<b>+9</b>
Illinois.....	127	124	115	110	122	125	123	123	+151	+31	+5
Indiana.....	85	94	100	102	97	102	99	101	+108	+20	+11
Iowa.....	85	80	89	93	102	110	88	98	+196	+37	+9
Michigan.....	160	113	115	105	107	107	108	110	+144	+19	+11
Minnesota.....	83	98	84	80	90	95	84	83	+161	+37	+7
Missouri.....	95	98	93	92	98	95	95	95	+177	+30	+9
Ohio.....	130	113	113	111	107	109	108	110	+146	+21	+11
Wisconsin.....	93	90	97	95	100	102	102	100	+177	+27	+7
<b>Northwest.....</b>	<b>79</b>	<b>78</b>	<b>85</b>	<b>85</b>	<b>87</b>	<b>100</b>	<b>98</b>	<b>96</b>	<b>+203</b>	<b>+25</b>	<b>+8</b>
Colorado.....	61	60	88	80	80	104	102	97	+103	+20	+5
Idaho.....	70	77	88	82	86	95	92	90	+101	+26	+8
Kansas.....	78	74	100	97	94	96	93	95	+219	+16	+0
Montana.....	80	100	104	103	111	115	100	112	+178	+44	+13
Nebraska.....	82	75	97	97	90	107	96	102	+238	+31	+13
North Dakota.....	67	65	93	93	94	100	91	90	+249	+21	+8
South Dakota.....	63	68	90	97	101	115	90	91	+244	+25	+10
Utah.....	70	83	91	90	87	88	81	89	+165	+23	+0
Wyoming.....	101	104	94	90	104	110	112	105	+180	+29	+2
<b>Far West.....</b>	<b>127</b>	<b>129</b>	<b>129</b>	<b>129</b>	<b>129</b>	<b>135</b>	<b>119</b>	<b>119</b>	<b>+125</b>	<b>+14</b>	<b>+10</b>
California.....	134	140	132	123	124	117	121	122	+118	+16	+10
Nevada.....	120	143	119	126	134	122	126	131	+128	+28	+12
Oregon.....	94	100	112	100	108	105	106	108	+105	+17	+10
Washington.....	103	110	129	114	108	110	111	114	+160	+10	+12

<sup>1</sup> Computed from data shown in table 3.

Sources: U. S. Department of Commerce, Office of Business Economics.

This, of course, is not to suggest that comparisons of private nonfarm income over short periods can be used in any strict sense as measures of "trend"—that is, of the long-term basic tendency of income in the various States and regions to grow or decline in relation to the Nation. As discussed and emphasized in previous State income reports, regional income trends can best be measured through analysis of relative changes in total income over a considerable span, utilizing as the basis of reference years representing approximately comparable points on the business cycle. What is meant to be conveyed here is (1) the caution that short-run changes in total income—while relevant for certain types of marketing analysis and for a variety of other purposes for which the State income payments estimates are used—may be quite misleading as indicators of "fundamental" shifts in the geographic income distribution, and (2) the suggestion that changes in private nonfarm income generally are the more appropriate such indicator, particularly when they relate to years of cyclical

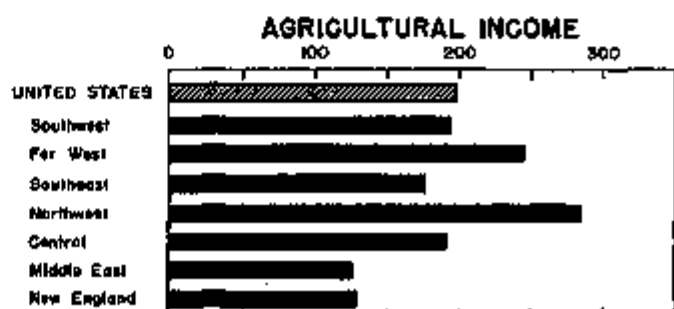
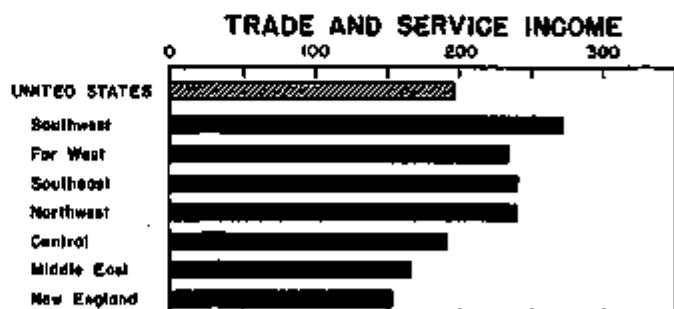
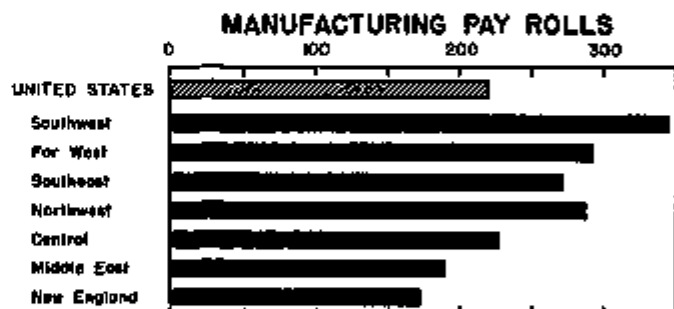
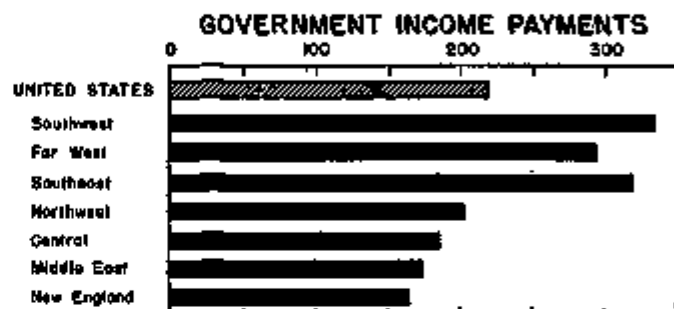
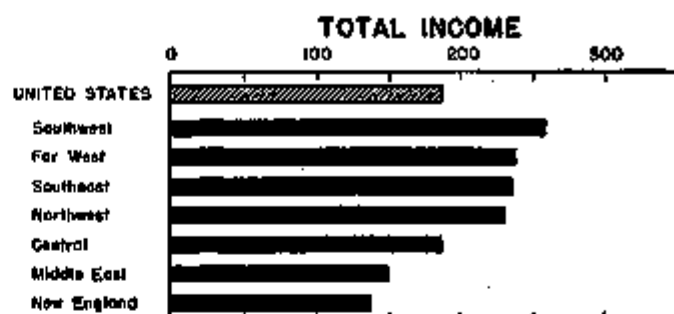
Table 6.—Major Sources of Income Payments in Each State and Region: Selected Components as a Percent of Total Income, 1940 and 1950

State and region	Agricultural income <sup>1</sup>		Government income payments <sup>1</sup>		Manufacturing pay rolls		Trade and service income <sup>1</sup>	
	1940	1950	1940	1950	1940	1950	1940	1950
<b>Continental United States</b>	7.2	7.5	14.6	16.2	26.3	22.4	25.5	26.3
<b>New England</b>	2.9	1.9	12.7	13.3	26.7	30.6	23.4	24.1
Connecticut	2.0	1.7	8.5	11.2	34.9	36.6	21.2	23.1
Maine	0.8	0.9	14.0	10.9	23.3	25.5	23.5	24.0
Massachusetts	1.1	1.0	14.9	10.7	23.8	26.0	24.7	20.1
New Hampshire	2.7	3.4	14.6	15.5	20.5	31.2	23.4	25.2
Rhode Island	0.8	0.6	10.3	17.4	30.5	34.2	21.8	23.3
Vermont	10.4	10.4	12.5	15.0	15.0	21.0	23.4	24.6
<b>Middle East</b>	1.3	1.7	14.2	15.5	21.2	24.5	26.2	28.1
Delaware	5.5	6.0	8.5	10.7	25.2	32.3	17.5	18.5
District of Columbia	2.6	2.8	43.3	48.5	2.3	3.0	24.0	27.9
Maryland	1.0	1.5	13.0	18.9	21.1	26.0	23.0	27.1
New Jersey	1.6	1.5	12.2	13.5	30.4	33.1	22.1	23.0
New York	1.4	1.2	13.3	13.9	17.9	22.2	20.0	21.7
Pennsylvania	2.2	2.0	13.3	13.4	23.3	23.7	25.0	24.5
West Virginia	0.5	4.1	13.1	14.9	12.5	19.2	19.3	21.3
<b>Southwest</b>	15.2	12.6	16.4	20.5	10.7	17.4	25.4	25.3
Alabama	14.5	11.5	10.0	20.6	13.7	20.8	24.8	24.8
Arkansas	30.0	24.5	17.1	18.0	3.4	10.5	23.6	24.6
Florida	8.3	10.0	10.9	20.1	7.3	7.0	31.5	30.6
Georgia	15.7	11.4	10.8	18.7	10.5	19.5	20.7	24.5
Kentucky	15.7	12.0	10.8	13.3	12.0	14.9	23.6	24.9
Louisiana	10.2	8.7	10.6	21.1	12.4	13.7	25.7	25.3
Mississippi	27.0	24.8	19.0	22.0	10.1	11.3	22.1	23.6
North Carolina	17.4	15.7	13.6	17.4	24.0	24.2	22.0	22.3
South Carolina	18.2	12.0	10.2	18.9	21.7	27.9	21.4	22.8
Tennessee	14.4	0.8	15.8	18.5	12.0	20.8	25.8	21.0
Virginia	6.3	8.9	10.6	24.9	10.2	15.5	24.5	23.7
<b>Far West</b>	15.8	13.1	16.5	19.9	8.0	10.0	25.8	26.0
Arizona	12.5	18.0	21.9	20.8	4.0	3.2	25.8	26.0
New Mexico	20.0	12.4	21.7	23.4	2.4	4.7	22.2	23.8
Oklahoma	15.0	11.0	18.4	21.8	7.2	8.5	23.7	25.9
Texas	15.1	13.3	18.8	17.5	9.0	11.2	25.4	25.3
<b>Central</b>	7.9	5.9	13.4	12.9	25.2	25.4	24.5	24.6
Illinois	4.0	5.4	12.0	12.0	23.1	27.4	28.7	26.5
Indiana	7.4	8.3	12.8	12.2	30.7	24.2	21.8	23.7
Iowa	38.4	30.1	12.8	13.1	10.0	12.9	32.0	22.3
Michigan	4.4	3.2	12.3	12.8	35.2	41.1	22.2	22.7
Minnesota	10.0	14.9	10.2	15.8	11.8	15.7	25.0	25.0
Missouri	9.0	11.9	13.0	14.5	10.5	18.2	23.3	27.9
Ohio	4.0	2.7	12.4	12.8	38.5	34.0	23.7	24.4
Wisconsin	11.7	10.0	14.8	12.2	28.1	20.8	22.0	24.0
<b>Northwest</b>	20.2	23.4	18.5	16.9	7.1	8.3	23.7	24.3
Colorado	10.9	10.9	20.8	20.0	6.4	10.0	26.7	27.3
Idaho	23.0	25.3	18.0	15.3	6.1	8.0	23.7	22.8
Kansas	18.7	19.7	17.2	15.8	6.7	11.6	22.3	23.4
Montana	22.2	20.5	18.2	14.8	5.5	0.2	21.0	22.2
Nebraska	20.4	30.0	17.7	14.4	5.9	7.0	24.2	24.2
North Dakota	38.0	35.0	18.0	15.7	2.4	1.0	22.8	24.3
South Dakota	31.5	32.2	20.0	10.1	4.0	3.8	22.7	23.4
Utah	11.4	0.3	15.8	21.4	8.7	0.9	24.3	24.4
Wyoming	23.0	10.2	15.7	18.0	4.3	5.3	19.0	23.2
<b>Far West</b>	7.0	2.1	16.3	15.3	15.3	15.3	23.2	28.8
California	8.5	0.7	10.0	18.7	12.5	18.2	30.1	20.5
Nevada	8.8	11.1	12.0	18.2	1.8	3.8	24.9	31.3
Oregon	10.2	0.1	15.1	15.3	15.4	21.0	27.2	27.8
Washington	7.3	7.7	18.5	22.5	17.9	10.7	25.2	20.2

<sup>1</sup> For definition see footnotes to table 2.

Source: U. S. Department of Commerce, Office of Business Economics.

## PERCENTAGE INCREASES, 1940 TO 1950, IN TOTAL INCOME PAYMENTS AND MAJOR COMPONENTS, BY REGIONS





comparability, such as those of full employment. When used for this purpose, the changes should be analyzed in terms of the detailed, component income flows and checked against the longer-run trends in total income, as summarized in the September 1948 and August 1950 Surveys.

The data in table 4 on changes by regions in total income and private nonfarm income in several recent periods may serve to illustrate this general thesis and to throw additional light on the regional postwar income flows.

It may be noted first that for the Southwest the private nonagricultural income measure sets in perspective the unusual volatility of income changes in this area since 1948. In 1949, the Southwest was the only region to register an increase in aggregate income. And, in 1950, it showed the smallest regional income rise. This irregularity in movement of total income reflected chiefly wide swings in agricultural income that ran counter to Nation-wide movements. In 1949, farm income dropped 22 percent nationally but rose 17 percent in the Southwest; and last year, when farm income increased 6 percent in the country as a whole, it declined 17 percent in the region.

Again, it is seen that in the Southeast total income advanced from 1946 to 1950 at a rate only equalling that

for the Nation, whereas the region's expansion in private nonfarm income substantially bettered the Nation-wide record. Analysis of more detailed data shows that the disparity in the two measures of income growth stemmed largely from the further sharp curtailment of military payments in 1947, which materially dampened the region's rise in total income. Since this was a factor of only temporary significance, an aggregate which eliminates it, such as private nonfarm income, provides a better measure of basic income flows.

In the Northwest, agriculture is of prime importance to the regional economy, and the movement of farm income has been especially irregular in this region. Therefore, farm income in the Northwest generally dominates short-run changes in total income and tends to mask a significant underlying development of the region's economic growth—the striking expansion, relative to the Nation, of its nonfarm economy. Especially noteworthy in this connection is that the 5-percent rise in total income in the Northwest from 1948 to 1950 was the smallest of any region, whereas its 12-percent increase in private nonagricultural income was the largest.

For recent periods, then, the estimates of private nonfarm income furnish a better measure of basic income changes in

Table 7.—Total Income Payments to Individuals, by States and Regions, 1929-50

(Millions of dollars)

State and region	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950
Continental United States.....	82,517	73,325	61,971	47,422	46,274	52,935	50,558	50,860	72,211	55,845	76,901	75,852	82,265	117,156	141,831	152,308	157,190	170,962	185,339	202,007	196,128	217,245
New England.....	5,782	6,282	5,823	4,481	4,284	4,679	5,031	5,673	5,980	5,572	6,728	6,124	7,267	8,565	10,216	10,707	10,828	11,291	12,558	13,492	13,213	14,511
Connecticut.....	1,426	1,337	1,175	911	888	1,000	1,006	1,207	1,350	1,199	1,303	1,417	1,837	2,324	2,039	2,007	2,604	2,808	3,129	3,294	3,105	3,550
Maine.....	1,448	1,432	1,281	288	287	323	363	368	405	377	400	431	506	650	572	583	677	921	954	1,067	1,017	1,083
Massachusetts.....	2,787	3,512	3,185	2,385	2,380	2,591	2,757	3,093	3,193	2,829	3,100	3,306	3,846	4,529	5,130	5,438	5,506	6,180	6,455	6,928	6,874	7,520
New Hampshire.....	302	270	250	199	200	228	241	202	272	266	208	260	308	355	358	427	457	586	580	631	614	672
Rhode Island.....	670	597	477	385	368	291	426	472	404	447	480	611	651	823	925	961	952	900	1,083	1,143	1,105	1,330
Vermont.....	210	195	172	123	122	142	158	153	177	165	174	197	210	254	290	303	323	371	403	429	400	450
Middle East.....	27,840	24,809	22,831	17,445	16,537	18,299	19,577	22,446	23,481	21,582	22,783	24,318	28,205	31,449	39,301	42,431	43,965	48,401	58,712	66,771	64,270	66,286
Delaware.....	218	182	197	122	127	157	161	152	205	178	208	228	278	328	384	403	399	432	400	510	531	500
District of Columbia.....	138	144	119	949	465	546	631	703	782	781	813	906	1,040	1,280	1,518	1,617	1,727	1,743	1,825	1,891	2,057	
Maryland.....	1,100	1,036	927	743	730	815	871	1,060	1,087	1,009	1,074	1,222	1,610	2,032	2,449	2,577	2,839	2,723	2,851	2,905	3,034	3,139
New Jersey.....	3,288	3,051	2,719	2,181	1,985	2,197	2,301	2,650	2,835	2,655	2,850	3,139	3,476	4,073	5,430	6,838	8,707	9,188	9,546	7,039	6,893	7,744
New York.....	14,472	13,346	11,426	8,510	8,509	9,269	9,941	11,256	11,838	10,759	11,301	12,384	15,210	17,782	19,000	20,407	22,006	24,519	26,519	26,068	26,301	27,520
Pennsylvania.....	7,336	6,632	6,480	4,172	4,027	4,027	4,989	5,818	5,174	5,428	5,819	6,225	7,404	8,822	10,377	11,208	11,969	12,582	13,701	14,724	14,302	15,038
West Virginia.....	705	652	600	382	474	585	622	736	773	664	714	780	900	1,004	1,263	1,381	1,597	1,642	1,890	2,064	1,661	2,110
South.....	3,481	3,127	2,664	1,979	1,836	2,054	2,176	2,132	2,487	2,504	2,454	2,783	3,129	3,532	4,072	4,072	4,072	4,072	4,072	4,072	4,072	4,072
Alabama.....	302	217	513	419	419	537	535	500	711	542	681	783	1,037	1,437	1,812	2,059	2,093	2,300	2,479	2,365	2,461	2,584
Arkansas.....	502	373	832	257	288	342	389	470	479	462	478	493	558	606	1,005	1,341	1,553	1,373	1,585	1,428	1,578	1,678
Florida.....	686	635	648	432	425	510	584	711	773	751	839	900	1,002	1,489	2,148	2,453	2,821	2,849	2,818	2,632	2,876	2,976
Georgia.....	680	758	857	569	580	735	800	867	920	845	901	950	1,241	1,618	2,170	2,425	2,895	2,897	2,817	2,601	2,651	2,761
Kentucky.....	689	794	679	536	534	620	713	847	902	703	839	880	1,042	1,358	1,885	1,830	1,807	1,444	2,258	2,675	2,469	2,569
Louisiana.....	302	728	640	494	487	626	641	748	762	788	828	844	1,000	1,419	1,868	2,045	2,016	2,032	2,290	2,626	2,626	2,736
Mississippi.....	644	358	292	236	280	359	373	403	442	399	436	544	630	858	1,105	1,224	1,201	1,374	1,580	1,610	1,523	1,633
North Carolina.....	900	812	660	670	677	845	915	1,006	1,077	1,011	1,060	1,131	1,430	1,872	2,210	2,530	2,851	3,012	3,222	3,481	3,580	3,688
South Carolina.....	438	366	514	251	259	376	406	486	488	461	463	485	703	960	1,163	1,201	1,319	1,229	1,008	1,081	1,102	1,110
Tennessee.....	906	743	622	406	516	601	721	845	890	801	853	927	1,221	1,650	2,005	2,220	2,493	2,544	2,742	2,840	2,840	2,911
Virginia.....	982	880	730	564	630	770	846	987	998	806	900	1,127	1,484	2,138	2,457	2,940	3,078	2,835	2,969	3,221	3,171	3,265
Southwest.....	4,152	3,428	2,788	2,196	2,289	2,613	2,324	2,402	2,864	3,383	3,768	3,998	4,734	6,608	8,741	9,884	9,675	10,125	11,528	13,483	12,940	13,967
Arizona.....	216	308	170	122	140	149	197	202	232	213	227	267	287	448	801	951	904	944	772	823	820	854
New Mexico.....	151	137	116	86	90	113	131	163	177	165	170	180	222	300	380	425	460	500	558	619	673	708
Oklahoma.....	1,079	844	659	507	537	658	696	788	841	767	796	828	958	1,345	1,829	1,953	1,939	1,925	2,191	2,361	2,288	2,388
Texas.....	2,588	2,239	1,843	1,484	1,562	1,778	1,778	2,285	2,564	2,408	2,664	2,852	3,298	4,524	6,121	6,645	6,670	7,003	8,113	8,704	9,156	9,586
Central.....	24,221	20,533	17,856	12,438	12,183	14,139	16,220	18,036	20,520	18,372	20,080	21,084	26,800	31,620	39,764	42,232	43,455	48,430	52,823	59,028	57,861	62,019
Illinois.....	7,036	5,003	4,813	3,817	3,325	3,787	4,223	4,980	5,365	4,833	5,285	5,710	6,888	8,297	9,470	10,297	10,849	12,160	13,304	14,973	14,034	15,232
Indiana.....	1,877	1,596	1,825	974	978	1,137	1,312	1,571	1,713	1,322	1,698	1,858	2,437	3,112	3,700	3,940	4,113	4,327	4,784	5,388	5,000	5,335
Iowa.....	1,245	1,249	955	639	644	800	893	982	1,002	1,085	1,185	1,233	1,527	2,016	2,380	2,518	2,481	2,982	2,804	3,798	3,277	3,733
Michigan.....	3,454	2,940	2,413	1,816	1,641	2,131	2,490	2,925	3,257	2,765	3,054	3,425	4,221	5,025	6,024	7,259	8,902	7,493	8,658	9,145	8,337	9,108
Minnesota.....	2,110	1,325	1,125	839	812	921	1,083	1,281	1,362	1,264	1,378	1,421	1,680	2,090	2,510	2,456	2,699	3,153	3,421	3,876	3,824	3,968
Missouri.....	2,410	1,984	1,684	1,284	1,244	1,380	1,783	1,824	1,726	1,759	1,832	1,921	2,303	2,812	3,301	3,062	3,831	4,371	4,687	5,003	5,003	5,088
Ohio.....	4,820	4,251	3,592	2,010	2,601	3,003	3,457	4,072	4,406	3,794	4,154	4,438	5,640	7,022	8,417	8,897	9,122	9,719	10,753	12,016	11,349	12,590
Wisconsin.....	1,898	1,587	1,264	971	936	1,061	1,253	1,482	1,571	1,413	1,519	1,622	2,042	2,676	3,025	3,334	3,498	3,820	4,253	4,619	4,467	4,843
Northwest.....	3,327	3,892	2,824	1,921	1,963	2,280	2,627	3,029	3,238	2,974	3,099	3,343	4,301	6,067	7,835	7,831	7,842	8,454	9,824	10,552	9,771	11,111
Colorado.....	533	580	478	362	386	404	446	538	589	526	563	589	685	900	1,144	1,187	1,274	1,390	1,625	1,732	1,680	1,848
Idaho.....	238	204	143	112	115	140	165	201	223	207	213	232	278	423	487	537	540	608	671	723	698	761
Kansas.....	907	928	730	487	474	540	622	724	781	690	692	767	974	1,000	1,024	1,087	1,029	2,000	2,388	2,288	2,587	2,697
Montana.....	325	204	213	168	168	212	250	283	299	271	283	331	372	472	641	568	570	689	797	878	783	850
Nebraska.....	704	740	578	344	374	378	470	594	640	508	625	689	855	1,047	1,220	1,343	1,370	1,472	1,544	1,816	1,657	1,800
North Dakota.....	304	228	100	122	128	138	178	197	217	180	209	237	321	435	510	581	579	619	675	811	791	870
South Dakota.....	288	201	190	117	118	167	184	196	202	208	227	242	304	450	478	524	524	579	700	757	757	810
Utah.....	272	239	248	143	153	165	192	224	247	235	243	280	329	424	463	474	558	604	739	698	683	735
Wyoming.....	154	140	119	86	87	100	114	132	130	132	141	151	174	210	248	272	289	330	374	409	439	48383</

Table B.—Per Capita Income Payments, by States and Regions, 1929-50

(Dollars)

State and region	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950
Continental United States	580	596	600	599	588	620	668	521	591	599	639	575	630	576	1,053	1,150	1,191	1,111	1,293	1,383	1,350	1,426
New England	658	768	824	843	614	561	602	674	784	648	580	724	864	1,047	1,235	1,294	1,316	1,343	1,483	1,462	1,411	1,534
Connecticut	918	830	725	658	340	605	659	736	805	710	784	537	1,055	1,203	1,481	1,513	1,483	1,482	1,610	1,664	1,683	1,706
Maine	306	490	473	307	304	304	428	480	490	400	474	499	569	780	1,021	1,040	1,040	1,000	1,137	1,103	1,106	1,101
Massachusetts	507	820	726	504	455	507	634	713	737	677	710	784	879	1,038	1,210	1,205	1,239	1,280	1,402	1,468	1,440	1,008
New Hampshire	652	500	541	422	429	478	602	544	603	531	548	681	905	700	948	1,050	1,117	1,144	1,229	1,278	1,208	1,282
Rhode Island	651	707	606	602	533	573	606	691	714	626	678	736	900	1,131	1,280	1,320	1,317	1,328	1,412	1,458	1,387	1,501
Vermont	601	642	478	369	381	307	430	501	493	404	463	621	632	730	800	960	1,031	1,068	1,138	1,108	1,106	1,181
Middle East	628	641	717	552	626	585	623	711	748	674	709	751	867	1,038	1,242	1,283	1,298	1,448	1,616	1,603	1,542	1,671
Delaware	910	702	682	622	513	580	634	750	706	682	771	892	1,188	1,376	1,424	1,300	1,440	1,518	1,600	1,665	1,600	1,600
District of Columbia	1,191	1,179	1,088	926	806	870	955	1,124	1,107	1,044	1,033	1,057	1,098	1,223	1,284	1,328	1,405	1,417	1,473	1,600	1,728	1,830
Maryland	703	651	677	460	441	403	524	507	635	694	634	708	814	1,068	1,243	1,384	1,272	1,248	1,314	1,427	1,401	1,417
New Jersey	647	809	761	568	655	580	630	712	780	689	749	803	914	1,110	1,228	1,445	1,474	1,477	1,557	1,613	1,561	1,608
New York	1,125	1,223	871	611	644	706	743	837	861	781	825	864	964	1,154	1,254	1,434	1,441	1,462	1,713	1,840	1,735	1,804
Pennsylvania	707	698	579	429	414	474	610	694	620	583	628	636	748	907	1,104	1,203	1,264	1,280	1,365	1,441	1,374	1,523
West Virginia	404	293	336	291	206	320	342	402	417	388	378	386	377	587	715	837	875	880	990	1,087	980	1,096
Southeast	544	579	535	191	195	239	268	301	310	237	263	323	494	635	678	768	803	693	851	828	880	949
Alabama	305	233	101	106	154	107	213	263	256	238	242	260	304	503	650	702	732	713	776	830	767	808
Arkansas	305	211	177	138	123	180	204	246	240	216	249	254	346	450	547	606	710	738	786	875	777	825
Florida	464	431	303	287	273	323	380	423	445	418	442	468	510	676	888	1,043	1,040	1,430	1,453	1,081	1,084	1,210
Georgia	320	274	257	189	200	240	268	301	280	290	290	316	367	508	672	701	784	786	856	914	822	900
Kentucky	371	303	256	106	169	234	280	307	325	233	297	300	374	457	627	704	700	776	821	812	803	911
Louisiana	415	344	209	230	223	200	286	330	340	341	344	368	433	566	741	827	832	780	801	872	1,006	1,045
Mississippi	273	101	148	126	123	102	177	216	207	185	201	204	283	397	480	613	668	687	602	744	635	608
North Carolina	209	265	214	170	201	283	270	294	312	280	308	310	380	518	627	713	757	808	800	858	830	961
South Carolina	252	209	178	147	167	208	222	254	202	211	201	237	303	423	594	678	697	743	700	834	790	831
Tennessee	340	283	234	185	199	241	260	282	311	280	294	310	411	623	670	808	858	829	802	904	890	962
Virginia	422	367	320	276	285	310	347	393	406	380	403	440	569	748	944	924	940	924	1,081	1,048	1,158	1,158
Southwest	464	576	503	287	247	279	399	387	397	371	386	480	626	670	835	960	946	853	1,073	1,133	1,188	1,222
Arizona	573	475	383	271	263	322	348	425	482	488	401	468	626	735	887	965	1,007	985	1,072	1,109	1,188	1,240
New Mexico	353	322	305	102	196	240	272	350	363	322	341	366	418	580	702	780	857	806	972	1,040	1,065	1,100
Oklahoma	485	362	276	212	226	240	281	319	358	327	340	369	467	652	730	840	864	865	900	1,068	1,076	1,070
Texas	465	383	312	248	257	292	319	369	400	367	401	413	488	676	880	972	978	978	1,106	1,148	1,198	1,278
Central	720	612	603	389	385	411	449	549	589	631	585	585	749	947	1,131	1,217	1,255	1,269	1,380	1,619	1,415	1,546
Illinois	932	772	620	460	481	488	543	650	691	619	617	727	918	1,099	1,222	1,367	1,416	1,481	1,606	1,764	1,637	1,742
Indiana	598	491	405	298	290	361	393	508	506	440	465	442	706	804	1,083	1,156	1,190	1,176	1,283	1,413	1,308	1,451
Iowa	540	504	388	245	258	242	337	301	434	423	468	488	619	835	1,028	1,098	1,108	1,260	1,101	1,637	1,304	1,417
Michigan	745	606	603	382	348	455	524	600	650	685	591	648	796	1,025	1,274	1,351	1,290	1,276	1,401	1,481	1,425	1,525
Minnesota	580	513	433	320	307	340	403	473	520	474	497	511	603	775	906	976	1,065	1,104	1,227	1,360	1,245	1,320
Missouri	612	446	401	349	337	373	413	473	486	445	480	506	620	794	914	1,030	1,101	1,108	1,205	1,328	1,287	1,401
Ohio	748	638	532	388	386	468	507	598	640	584	608	642	814	1,008	1,220	1,311	1,329	1,290	1,387	1,512	1,420	1,522
Wisconsin	654	439	435	325	312	367	413	484	510	460	485	510	651	828	1,084	1,154	1,184	1,210	1,313	1,416	1,340	1,431
Northwest	534	487	364	262	265	304	364	409	436	463	418	455	590	681	865	1,099	1,145	1,170	1,354	1,436	1,272	1,379
Colorado	616	556	465	342	336	370	413	468	532	476	505	520	611	871	977	1,022	1,143	1,148	1,364	1,442	1,350	1,392
Idaho	516	455	306	241	242	304	338	400	444	406	411	443	540	641	802	1,029	1,100	1,102	1,286	1,307	1,220	1,237
Kansas	532	486	402	267	258	298	347	306	420	393	383	423	585	681	1,080	1,104	1,167	1,133	1,373	1,370	1,228	1,336
Montana	602	490	303	200	200	367	455	514	541	486	515	577	684	904	1,090	1,206	1,231	1,240	1,443	1,041	1,291	1,003
Nebraska	567	544	421	254	276	278	355	369	412	384	397	424	518	634	835	1,026	1,130	1,201	1,257	1,485	1,208	1,407
North Dakota	380	320	230	181	190	205	260	300	353	302	385	372	537	741	927	1,075	1,111	1,144	1,582	1,514	1,202	1,208
South Dakota	417	352	280	171	172	222	276	284	308	318	361	379	402	622	830	1,048	1,133	1,232	1,347	1,585	1,184	1,308
Utah	537	470	370	270	276	313	362	419	459	434	463	478	585	888	1,081	1,001	1,000	1,048	1,182	1,210	1,196	1,271
Wyoming	687	619	515	371	308	426	477	548	568	567	607	664	872	900	965	1,002	1,100	1,204	1,450	1,580	1,475	1,590
Far West	645	776	642	461	468	524	671	684	714	643	602	746	907	1,105	1,286	1,446	1,429	1,446	1,632	1,586	1,553	1,711
California	940	854	710	533	511	662	617	734	709	714	603	651	1,178	1,463	1,535	1,648	1,604	1,674	1,812	1,604	1,751	1,751
Nevada	817	761	600	479	447	636	614	690	733	645	707	821	907	1,140	1,403	1,483	1,423	1,487	1,680	1,607	1,675	1,675
Oregon	640	647	455	342	337	390	447	539	553	507	644	675	729	1,047	1,297	1,302	1,231	1,208	1,387	1,451	1,385	1,623
Washington	713	628	508	374	308	432	470	579	587	568	568	632	886	1,103	1,420	1,486	1,367	1,310	1,451	1,422	1,470	1,642

Source: U. S. Department of Commerce, Office of Business Economics.

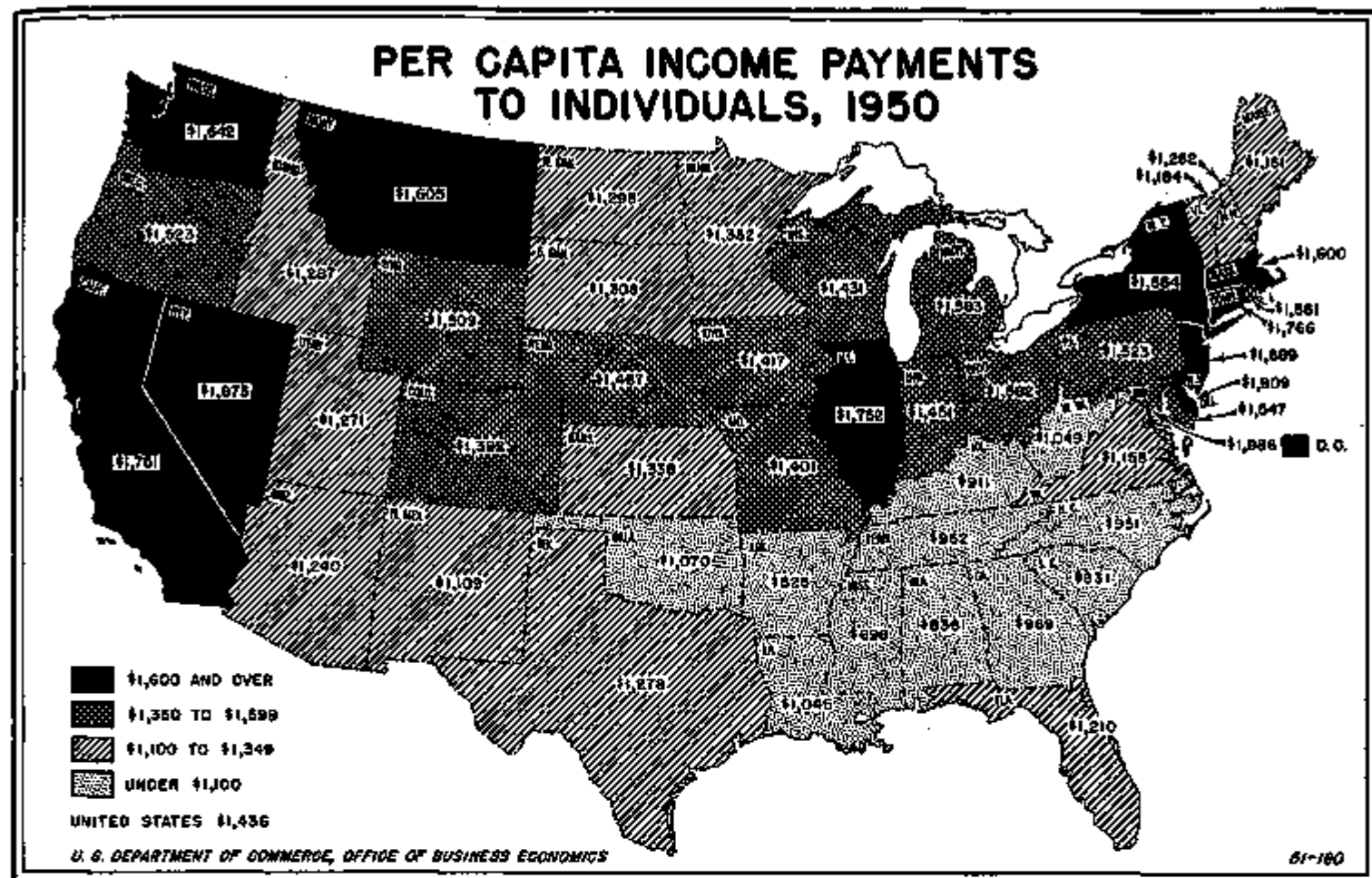
the various regions than do the estimates of total income payments. Of particular interest is the fact that the percentage increases in private nonfarm income for 1948-50 and 1946-50, as listed in table 4, reflect regional income changes which conform generally with the pattern of long-run trends. These trends signify declining percentage shares of the Nation's total income accruing to New England and the Middle East, rising shares to the Southeast, Southwest, Far West, and Northwest, and an approximately constant share to the large Central region.

The top-ranking income advance of the Southwest in the post-war period—paced by a phenomenal growth in manufacturing—is clearly an acceleration of the region's long-run upturn. The somewhat below-average expansion of income in the Far West, on the other hand, is not in line with the region's long-term relative growth. This region's post-war lag, however, may be traced in considerable part to a "non-trend" factor—namely, the particular composition of the Far West's economic structure, in which the types of industrial activity which experienced the largest relative expansion on a national basis in the earlier postwar boom (1946-48) are of less-than-average relative importance. This serves to remind that over a short period—even one covering cyclically comparable years of full employment—

any income measure is apt to reflect special factors that disqualify it as a gauge of underlying trends.



## PER CAPITA INCOME PAYMENTS TO INDIVIDUALS, 1950



percent). The rate of income growth over this period was the same in the large Central region (186 percent) as in the country as a whole, but it was substantially less in the Middle East (148 percent) and in New England (137 percent). The share of the Nation's total income received by the four regions of the South and West has increased 18 percent since 1940, whereas that of the Northeastern area (New England and the Middle East) has declined 14 percent. However the aggregate income in this last area, \$75 billion in 1950, still accounts for more than one-third of the national total.

The relative shifts in total income among individual States in the past decade accorded closely with the regional pattern. In the Southern and Western areas every State received a larger share of the Nation's total income in 1950 than in 1940. Conversely, each New England and Middle Eastern State received a smaller share. In every State of the Central region—in line with the over-all regional record—the percent of the Nation's total income received last year was about the same as at the start of the decade.

As revealed by the percentage distributions of total income given in table 1, these pronounced State and regional shifts in total income payments were largely accomplished by the close of the war period. In broad outline, the regional distribution of income in 1950 was similar to that in peak war year 1944, which in turn differed significantly from the prewar distribution.

The rapid changes in the regional income distribution which occurred during the war years were, in general, an acceleration of developments which had been emerging in the prewar period. In the Southern and Western regions the stimulus to income expansion during the war was unusually great, but, despite the impact of reconversion, these regions

have largely retained, or actually increased, the relative gains achieved in that period. On the other hand, the war provided a lesser impetus to the expansion of individual incomes in New England and the Middle East, and in the postwar period these two areas have not recouped the relative losses—that is, reductions in their shares of the Nation's income—sustained during the war.

### Sources of income change

Regional changes in major sources of income over the decade of the forties exhibited a striking uniformity generally paralleling the pattern of movements in total income. This is brought out clearly in the chart on page 16.

In New England and the Middle East, below-average increases occurred in factory payrolls, agricultural income, government income payments, and trade and service income. Moreover, the total-income gains scored by the Southeast, Southwest, Northwest, and the Far West were, with but few exceptions, the product of relative gains in all of these major component flows.

A further significant fact is that this uniform pattern of regional change in income sources stemmed from generally similar patterns obtaining in the individual States. As may be ascertained from analysis of the detail given in table 3, in nearly all States the above-average or below-average increases in total income payments reflected above-average or below-average gains in income flowing from the manufacturing, agricultural, trade and service, and governmental sectors.

Despite the foregoing pattern, geographic differences in both rates of change and economic structure (see tables 3 and 6) made for significant variations in the contributions of the major component flows to the relative growth of total

Table 9.—State Income Payments, by Type of Payment, 1948-50<sup>1</sup>

(Millions of dollars)

State	1948	1949	1950	State	1948	1949	1950	State	1948	1949	1950
United States, total.....	202,007	196,129	217,265	Louisiana, total.....	2,325	2,614	2,589	Ohio, total.....	12,040	11,340	12,400
Wages and salaries.....	131,057	130,169	141,632	Wages and salaries.....	1,580	1,643	1,758	Wages and salaries.....	8,352	8,018	8,501
Proprietors' income.....	38,326	31,781	36,317	Proprietors' income.....	409	456	408	Proprietors' income.....	1,740	1,415	1,570
Property income.....	20,002	21,009	24,110	Property income.....	231	230	203	Property income.....	1,200	1,320	1,238
Other income.....	11,489	12,160	15,277	Other income.....	105	817	320	Other income.....	716	486	771
Alabama, total.....	2,479	2,306	2,604	Maine, total.....	1,087	1,017	1,053	Oklahoma, total.....	2,301	2,286	2,386
Wages and salaries.....	1,404	1,410	1,453	Wages and salaries.....	684	649	676	Wages and salaries.....	1,233	1,284	1,370
Proprietors' income.....	632	613	570	Proprietors' income.....	126	150	157	Proprietors' income.....	641	500	515
Property income.....	104	102	128	Property income.....	120	145	104	Property income.....	220	222	247
Other income.....	169	221	253	Other income.....	64	72	90	Other income.....	207	220	250
Arizona, total.....	832	820	805	Maryland, total.....	3,065	3,054	3,399	Oregon, total.....	2,130	2,008	2,322
Wages and salaries.....	487	484	454	Wages and salaries.....	2,008	2,100	2,202	Wages and salaries.....	1,288	1,374	1,400
Proprietors' income.....	212	195	223	Proprietors' income.....	474	422	467	Proprietors' income.....	450	305	445
Property income.....	77	83	94	Property income.....	355	369	411	Property income.....	104	208	221
Other income.....	56	64	78	Other income.....	138	103	139	Other income.....	106	128	159
Arkansas, total.....	1,585	1,436	1,678	Massachusetts, total.....	6,925	6,874	7,520	Pennsylvania, total.....	14,724	14,362	16,453
Wages and salaries.....	707	715	761	Wages and salaries.....	4,944	4,870	5,209	Wages and salaries.....	10,570	10,140	10,959
Proprietors' income.....	416	470	523	Proprietors' income.....	654	674	694	Proprietors' income.....	1,907	1,700	1,963
Property income.....	96	94	103	Property income.....	580	510	1,004	Property income.....	1,483	1,647	1,734
Other income.....	137	147	180	Other income.....	440	320	583	Other income.....	762	815	1,403
California, total.....	18,937	16,731	18,642	Michigan, total.....	9,146	8,937	10,128	Rhode Island, total.....	1,143	1,105	1,230
Wages and salaries.....	11,821	10,903	11,907	Wages and salaries.....	6,406	6,628	7,507	Wages and salaries.....	612	765	853
Proprietors' income.....	2,975	2,389	3,122	Proprietors' income.....	1,235	1,230	1,134	Proprietors' income.....	104	70	100
Property income.....	1,979	1,907	2,200	Property income.....	701	818	914	Property income.....	145	149	150
Other income.....	861	1,182	1,407	Other income.....	423	473	647	Other income.....	82	101	103
Colorado, total.....	1,732	1,698	1,804	Minnesota, total.....	3,476	3,634	3,904	South Carolina, total.....	1,681	1,553	1,703
Wages and salaries.....	865	1,009	1,106	Wages and salaries.....	2,084	2,117	2,312	Wages and salaries.....	1,004	1,014	1,183
Proprietors' income.....	418	354	351	Proprietors' income.....	1,235	910	947	Proprietors' income.....	350	245	381
Property income.....	108	200	242	Property income.....	351	307	413	Property income.....	119	118	131
Other income.....	130	134	145	Other income.....	308	324	308	Other income.....	119	130	104
Connecticut, total.....	3,294	3,196	3,550	Mississippi, total.....	1,350	1,319	1,423	South Dakota, total.....	477	723	683
Wages and salaries.....	2,361	2,233	2,481	Wages and salaries.....	624	634	706	Wages and salaries.....	316	330	343
Proprietors' income.....	330	208	330	Proprietors' income.....	676	447	483	Proprietors' income.....	532	308	406
Property income.....	472	489	548	Property income.....	180	92	106	Property income.....	58	50	65
Other income.....	141	174	189	Other income.....	130	138	173	Other income.....	31	44	40
Delaware, total.....	510	531	609	Missouri, total.....	5,208	5,227	5,800	Tennessee, total.....	2,025	2,545	3,171
Wages and salaries.....	345	364	414	Wages and salaries.....	3,116	3,171	3,419	Wages and salaries.....	1,732	1,773	1,930
Proprietors' income.....	64	67	71	Proprietors' income.....	1,270	1,000	1,154	Proprietors' income.....	1,021	883	927
Property income.....	83	86	87	Property income.....	608	629	686	Property income.....	227	238	284
Other income.....	18	28	37	Other income.....	314	338	401	Other income.....	226	264	304
District of Columbia, total.....	1,825	1,891	2,037	Montana, total.....	678	782	866	Texas, total.....	8,701	9,155	9,808
Wages and salaries.....	1,400	1,472	1,594	Wages and salaries.....	422	446	473	Wages and salaries.....	4,200	4,482	5,061
Proprietors' income.....	120	112	127	Proprietors' income.....	347	318	345	Proprietors' income.....	2,137	2,305	2,340
Property income.....	106	102	105	Property income.....	70	75	80	Property income.....	439	400	400
Other income.....	104	107	135	Other income.....	39	43	50	Other income.....	838	662	666
Florida, total.....	2,818	2,623	3,378	Nebraska, total.....	1,244	1,067	1,001	Utah, total.....	808	810	883
Wages and salaries.....	1,718	1,709	1,904	Wages and salaries.....	810	826	800	Wages and salaries.....	521	635	677
Proprietors' income.....	302	333	403	Proprietors' income.....	754	670	700	Proprietors' income.....	177	103	179
Property income.....	304	412	473	Property income.....	176	182	207	Property income.....	64	56	63
Other income.....	284	219	280	Other income.....	74	77	96	Other income.....	64	56	63
Georgia, total.....	2,801	2,831	3,364	Nevada, total.....	266	205	200	Vermont, total.....	426	400	450
Wages and salaries.....	1,870	1,895	2,117	Wages and salaries.....	193	101	181	Wages and salaries.....	202	284	279
Proprietors' income.....	654	647	681	Proprietors' income.....	60	57	63	Proprietors' income.....	80	58	84
Property income.....	259	205	309	Property income.....	34	24	38	Property income.....	64	68	64
Other income.....	202	224	283	Other income.....	11	12	18	Other income.....	24	28	32
Idaho, total.....	723	698	763	New Hampshire, total.....	631	614	672	Virginia, total.....	3,247	3,291	3,500
Wages and salaries.....	379	390	424	Wages and salaries.....	402	418	444	Wages and salaries.....	2,163	2,330	2,448
Proprietors' income.....	231	204	225	Proprietors' income.....	87	77	86	Proprietors' income.....	411	614	588
Property income.....	55	57	62	Property income.....	74	77	88	Property income.....	294	297	331
Other income.....	38	41	61	Other income.....	38	47	64	Other income.....	102	174	231
Illinois, total.....	14,973	14,034	15,320	New Jersey, total.....	7,438	6,903	7,744	Washington, total.....	3,548	3,489	3,612
Wages and salaries.....	10,003	9,747	10,480	Wages and salaries.....	5,146	4,802	5,449	Wages and salaries.....	2,317	2,338	2,502
Proprietors' income.....	2,570	1,927	2,180	Proprietors' income.....	836	746	872	Proprietors' income.....	678	550	680
Property income.....	1,624	1,673	1,804	Property income.....	721	701	661	Property income.....	334	338	338
Other income.....	775	687	810	Other income.....	337	385	463	Other income.....	214	238	302
Indiana, total.....	5,390	5,080	5,736	New Mexico, total.....	610	573	706	West Virginia, total.....	2,094	1,991	2,110
Wages and salaries.....	3,408	3,461	3,890	Wages and salaries.....	304	308	400	Wages and salaries.....	1,831	1,894	1,880
Proprietors' income.....	1,045	953	1,039	Proprietors' income.....	159	159	173	Proprietors' income.....	307	267	282
Property income.....	431	444	492	Property income.....	57	64	75	Property income.....	140	145	105
Other income.....	225	218	304	Other income.....	43	45	58	Other income.....	116	125	174
Iowa, total.....	3,708	3,327	3,787	New York, total.....	28,634	28,068	28,304	Wisconsin, total.....	4,010	4,467	4,941
Wages and salaries.....	1,508	1,506	1,705	Wages and salaries.....	18,329	18,195	19,204	Wages and salaries.....	2,042	2,921	3,212
Proprietors' income.....	1,725	1,167	1,421	Proprietors' income.....	3,227	2,773	3,247	Proprietors' income.....	1,034	855	946
Property income.....	352	300	404	Property income.....	3,394	3,674	4,069	Property income.....	450	487	526
Other income.....	182	300	304	Other income.....	1,504	1,687	1,781	Other income.....	193	214	258
Kansas, total.....	2,380	2,288	2,587	North Carolina, total.....	2,446	2,351	2,680	Wyoming, total.....	409	407	419
Wages and salaries.....	1,210	1,254	1,374	Wages and salaries.....	2,072	2,079	2,278	Wages and salaries.....	280	280	274
Proprietors' income.....	700	623	754	Proprietors' income.....	858	739	856	Proprietors' income.....	182	90	103
Property income.....	260	282	283	Property income.....	306	311	257	Property income.....	31	22	30
Other income.....	112	110	154	Other income.....	211	223	289	Other income.....	17	19	26
Kentucky, total.....	2,575	2,400	2,694	North Dakota, total.....	384	701	811				
Wages and salaries.....	1,477	1,455	1,618	Wages and salaries.....	321	324	368				
Proprietors' income.....	702	588	579	Proprietors' income.....	443	371	301				
Property income.....	220	227	265	Property income.....	56	55	62				
Other income.....	170	180	242	Other income.....	33	51	48				

<sup>1</sup> Comparable estimates for the years 1929, 1933, and 1940-41 were published in the August 1945 issue of the SURVEY OF CURRENT BUSINESS and for the years 1942-47 in the August 1950 issue of the SURVEY.

<sup>2</sup> The totals shown here and in table 7 for the States estimated are not strictly measures of the income received by residents. The totals for the Districts of Columbia, New York, and Maine are too high—and those for Maryland, Virginia, New Jersey, and New Hampshire too low—in terms of measures of total income received by residents. The estimates shown here for the District of Columbia include income paid out to residents of Maryland and Virginia employed in the District, but they exclude the income of District residents employed in these two States. Estimates for New York include income paid to residents of New Jersey employed in New York, but do not include the income of New York residents employed in

New Jersey. Similarly, estimates for Maine include income paid to residents of New Hampshire employed in Maine. In the computation of per capita income for these 7 States, the income totals shown here and in table 7 were first adjusted to a resident basis before division by population. Following are the amounts (in millions) of the adjustments for 1949: District of Columbia, -488; Maryland, +216; Virginia, +236; New York, -480; New Jersey, -480; Maine, -16; New Hampshire, +16. (The adjustments for Maine and New Hampshire were of more sizable magnitude in the war period.) Because of lack of data, which would permit a breakdown of the amounts of adjustment according to their type of payment and industrial sources, it has not been feasible to publish on a resident-adjusted basis the estimates of total income and its sources for these States.

Source: U. S. Department of Commerce, Office of Business Economics.

income in the various States and regions. The more important examples of such contributions are covered in the following brief summary.

*Manufacturing payrolls* were a key factor in the relative lag of total income over the decade in New England. Factory payrolls are a more important source of income in this region than in any other. From 1940 to 1950, however, payroll expansion in this basic industry was less in New England than in any section of the country. According to Census of Manufactures data, it may be noted, New England employed a smaller proportion of the Nation's total workers in 1947 than in 1939 in 17 of the 20 principal types of manufactures. These 17 included all five of the region's most important industries, employing one-half of its total number of factory workers.

By far the greatest regional increase in manufacturing since 1940 has occurred in the Southwest. Factory payrolls there in 1950 were  $4\frac{1}{2}$  times as large as in 1940. Although they were a prime factor in general income expansion in the region, factory payrolls accounted directly for only 10 percent of total income payments in the Southwest in 1950—a smaller share than in any region except the agricultural Northwest.

*Government income payments* increased threefold or more in the Southwest, Southeast, and Far West between 1940 and 1950 and provided an unusually important impetus to total-income growth in these regions. The chief element swelling total government disbursements to individuals in these areas was the relatively large concentration of military personnel in them.

*Agricultural income* played a larger role in the Northwest than in any other region in contributing to the expansion of individual incomes over the last decade. Farm income is much more important as a direct source of income in the Northwest than in any of the other regions. Moreover, the near quadrupling of this area's farm income over the period was the greatest regional increase. It is to be noted in this connection that in several of the agriculturally important Northwestern States farm income in 1940 had made only a partial recovery from depression and drought.

Agriculture was the only major income source in the Southeast and Southwest which did not advance at rates above the national average from 1940 to 1950. Of particular interest in this regard is the declining emphasis placed upon agriculture as an industry in these two areas. In 1940 nearly one-third of the employed labor force in the South was engaged in agriculture. By 1950 the proportion was down to one-fifth—a significantly larger reduction than that occurring nationally.

### The Business Situation

(Continued from page 1)

#### Steel for defense industries rising

Before the outbreak of war in Korea, in June of last year, the direct military program required an annual rate of less than 2 million tons of finished steel. Although, in the first quarter of 1951, this rate doubled to 4 million tons, the increase was less than the rise in the total shipments of finished steel of 3.4 million tons (annual rate) from the first quarter of 1950 to the first quarter of this year. In spite of this larger expansion in steel deliveries, there has developed an increasingly tight situation in steel with the result that governmental action has become necessary to direct the available steel supply.

### Population

Population change is always a factor—though immeasurable—influencing changes in total income.

From 1940 to 1950 the population of the continental United States rose 15 percent. In the New England, Middle East, Southeast, Central, and Northwest regions, the increase in population varied between 9 and 12 percent, and in the Southwest it amounted to 17 percent. It would not appear that in these six areas differences in population change had a major influence on the relative movements in total income. This generalization about the broad regions, it must be emphasized, does not apply uniformly on a State basis. In a number of individual States in the six regions, population movements differed widely from the national average and undoubtedly had considerable weight in total-income change.

In the Far West, population was a particularly important factor in the advance of total income payments. Over the 1940-50 period the population of this region expanded by almost one-half, and in each of the four States the increase was quite large.

### Per capita income

Changes in per capita incomes are one of the most fundamental regional economic developments which have occurred in the past decade. These changes record a considerable lessening of the relative differences in the average income levels of the various States and regions.

In each of the three regions where per capita income was highest in 1940—the Middle East, the Far West, and New England—the rate of increase in per capita income has been substantially below average. On the other hand, per capita incomes have moved up at considerably above-average rates since 1940 in the Southeast, Southwest, and Northwest—the three regions with the lowest income averages. In the Central States, per capita income was 5 percent above the national average in 1940 and 6 percent above it in 1950.

As shown by the percentage data in table 5, the partial reduction in relative inequality in per capita income in the past decade is evident in quite striking degrees on a State as well as regional basis, with only Maine, New Hampshire, Vermont, and Washington registering movements counter to this pattern. Further to be noted is that the relative narrowing of per capita differentials was very largely accomplished, as was true of the shifts in total income, by the end of the war. The Far West is the only regional exception to this generalization. The margin of its per capita income above the national average—though still large—was further reduced after 1944.

Three major factors account for the tight steel situation. First, production of military goods has been rising and will continue upward as the large volume of defense orders placed since the beginning of this year are translated into production. A rise in such output requires increasing consumption of steel. On the basis of present defense programs, requirements of steel for military purposes in the final quarter of this year will be at a rate more than twice that of the first quarter.

Second, in order to expand basic productive capacity, industry as a whole has been engaged in a vast plant and equipment expenditure program. The steel industry itself, for example, has a program of expansion which is expected to increase ingot capacity to 109 million tons by the end of this year and to 118 million tons by mid-1953, an increase of 12

(Continued on page 22)